

Island in the sun

part 2

Running to stand still...

Imagine training for a marathon - you build up your distances and practice your pacing with steady endurance training. You hype on lean-carbs and hydro-gels, and contemplate your race strategy. It's d-day and you're ready for the international race. You make your way to the start together with the other runners. Anxiously you await the sound of drum. The race master turns to the microphone and makes a special announcement: *Dear runners, the race has changed, this is no longer a marathon, but a 200m hurdle dash. On your marks, get set...* While you panic as you wonder how your endurance-training will be of use in a testosterone-laden speed-race, you find a second of solace in the fact that you have company...

In a similar fashion, small-island tourism economies (SITEs) have experienced a rude awakening from what was once a steady and secure marathon-like pace in tourism development and growth. From Seychelles to St. Thomas, from Malta to Martinique, and from Trinidad to Tonga, without any exception or excuse, SITEs are encountering challenging times as

they attempt to hold on to past securities, and position themselves for future surprises. With the unfolding uncertainties of global gyrations, a new order of hyper-competition is enveloping SITEs, in which there are no sustainable advantages and past competencies have evolved into persistent complacencies. With tourism at the throes of turbulence, sustainability has become a strategy of survival, in which islands seem to be running to stand still...

Defined as the capability to improve the economic and experiential value of tourism, while enhancing the quality of life of resident communities, and preserving the natural and cultural heritage for future generations, studies on the competitiveness of SITEs aim at exploring and explaining the determining drivers of competitive tourism economies capable of contributing effectively to island development, societal prosperity, and economic growth in global context (WEF, 2008). Tourism competitiveness is thus multidimensional construct consisting of different indicators.

The tourism competitiveness index (TCI) covers three basic interrelated dimensions including (1) *tourism governance*, (2) *tourism business*, and (3) *tourism assets*, each containing multiple indicators, ranging from policy and regulations, environmental law enforcement, national security, national health, logistics, hospitality business industry, technology infrastructure, price competitiveness, market sophistication, tourism support industries, brand equity, human capital, tourism affinity, and natural and cultural assets (WEF, 2008; Peterson, 2009).



Figure 1. Ranking and average scores of Caribbean and Non-Caribbean SITEs

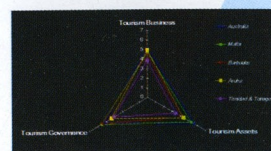


Figure 2. Tourism Competitiveness Profiles

WEF/Peterson/2008

At the top of the TCI we encounter countries such as Switzerland, Austria, Germany, followed by Australia and Spain (WEF, 2008). Other top contenders include the United Kingdom, Sweden, and Canada. Internationally, Malta and Cyprus lead SITE competitiveness, while closer to home, Barbados, Aruba and Puerto Rico head the Caribbean basin (Figure 1).

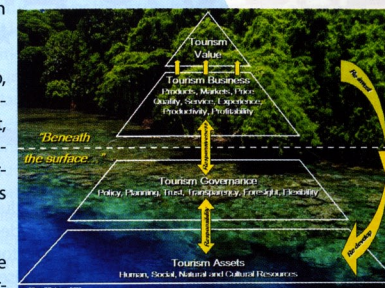
Benchmarked against the top, however, Caribbean destinations under-perform by over twenty percent, which leaves much room for improvement, particularly in the area of tourism governance and tourism assets (Figure 2).

Key areas of improvement are numerous, and include - for tourism governance - quality of tourism policy, flexible market regulation, regulatory coordination, law enforcement, and - for tourism assets - environmental management, tourism safety and security, quality of cultural activities, conservation of natural and cultural heritage, and labor productivity. On the tourism business front, SITEs need to address the fragmented nature of their local tourism industries, and the lackluster of innovation across tourism value chains. Whereas independent properties and products continue to improve at a rapid rate, process improvements and integrated, cluster-based (national/inter-sector) innovations remain enigmatic.

The overall results underscore the importance of supportive tourism business and governance frameworks, coupled with quality infrastructures, and a focus on (re-) developing human, cultural and natural resources (WEF, 2008). Realizing tourism value requires a comprehensive understanding - and thus acknowledgement - of the embedded nature of tourism businesses within the institutionalization of tourism governance and the idiosyncrasies of tourism assets in SITEs (Figure 3).

The TCI of SITEs indicates that while building a solid tourism business industry is necessary for tourism competitiveness,

it is by no means sufficient for guaranteeing sustainable competitiveness and national development. If the Caribbean is to sustain its international competitiveness, then private and public agencies need to improve the intra- and inter-institutional governance and management of their tourism-based island-economies.



With the growing volatility of tourism business environments, and the systemic depletion of destination resources, SITEs increasingly depend on the strategic governance of tourism and the effectiveness of their policy processes and regulatory environments for sustainable competitiveness. In effect, tourism governance - yes, the purposeful act of governing tourism, not to be confused with government - has become a sine qua non for sustaining competitive advantage and national prosperity. However, contemporary tourism governance is a far cry away from traditionally centralized command and control structures.

Beyond policy and planning, trust and transparency - the traditional 'endurance' competencies for long-distance, marathon-like races - contemporary tourism governance requires the tenacity and 'testosterone' to thrive in turbulent environments, in which speed, strength and strategic maneuvering are imperatives of sustainable success. While the foregoing mechanisms provide a stable and reliable environment, the latter enable responsiveness to the dynamic needs and wants of tourism businesses and tourism markets. Collectively, these mechanisms provide a 'dynamically stable' architecture for governing tourism.

Developing collaborative intelligence, evidence-based tourism policies, and knowledge-driven tourism decision-making, in combination with strategic foresight and flexible coordination mechanisms, provide SITEs with an integrated portfolio of strategic capabilities, which do not only align tourism assets with tourism business in a responsible and responsive way, but more importantly, provide the main impetus and strategic differential in sustaining tourism development and island competitiveness. As described in part 1 of 'Island in the Sun' (see Nos Florin, 10-2, 2008), the true measure of sustainability lies beneath the surface. Without a solid foundation built on policy, coordination, trust and tenacity, and a sound basis consisting of high-quality human, social, cultural and natural assets, tourism-driven island-economies are simply unsustainable.

To conclude, this is no longer the marathon you trained for and anticipated - it is the 200m hurdle dash. The defining moment is here as tourism-based island-economies face the start of a new race. In the spirit of Martin Luther King, the true measure of a destination is not where it lays in moments of comfort and convenience, but how it thrives on turbulence. The hurdles are not there to impede, but to deter those who aren't determined enough to jump over them.

If you are ready to jump, then on your mark, get set, and go...!

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